Date Mailed June 17, 1998

## BEFORE THE

## PUBLIC SERVICE COMMISSION OF WISCONSIN

Dispute Between Northern States Power Company-Wisconsin and Eau Claire Electric Cooperative Over Electric Service Territory

4220-DR-109

## NOTICE OF INVESTIGATION AND ASSESSMENT OF COSTS

On December 23, 1997, Northern States Power Company - Wisconsin (NSPW) filed a petition with the Public Service Commission (Commission) pursuant to ss. 227.41 and 196.495(2), Stats., requesting a declaratory ruling as to whether it or Eau Claire Electric Cooperative (ECEC) has the right to serve an area annexed into the city of Osseo in 1994. The petition sets forth various facts, including the fact that ECEC is currently providing electricity to the annexed area, which NSPW asserts the utility and not ECEC has the right to serve.

As also stated in the petition, this matter has previously been considered by the Commission and by Commission staff. When this matter was first brought to the Commission's attention in 1996, the Commission decided to attempt mediation and informal resolution of the dispute in the hope of saving all parties the time and expense of a formal proceeding. The matter was referred to Commission staff, which considered the dispute on the basis of the parties' stipulated set of facts and briefs. In a written opinion, Commission staff concluded that NSPW rather than ECEC had the legal right to provide electric service in the annexed area, and suggested that ECEC transfer certain facilities constructed to serve the disputed area to NSPW.

Unfortunately, ECEC informed NSPW and the Commission that it would not follow the Commission staff's informal resolution, which prompted NSPW's latest petition. In February 1998, ECEC submitted a response to the NSPW petition. The Commission also has the parties' stipulation of facts and briefs, which were submitted in 1997 as well as affidavits submitted by ECEC. The Commission has determined to decide this petition on the basis of these materials. While the Commission does not believe it is necessary, parties may submit additional briefing material within 20 days of the date of this notice. Any briefs should include the above docket number and be addressed to Mr. Steven Levine, at the Public Service Commission, 610 N. Whitney Way, P.O. Box 7854, Madison, Wisconsin 53707-7854. Parties should file 20 copies.

This is a Type III action under s. PSC 4.10 (3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's

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attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

NOTICE IS HERBY GIVEN that the Commission will investigate this matter without hearing upon stipulation of the parties. This matter is considered to be a Class 1 proceeding as defined in s. 227.01(3)(a), Stats.

NOTICE IS FURTHER GIVEN that the Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices and activities of the Applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to the investigation will be assessed against and collected from the Applicant, in accordance with the provisions of s. 196.85, Stats., and ch. PSC 5, Wis. Adm. Code.

If there are any questions regarding this matter, please contact Jerry Albrecht, Electric Division, at (608) 269-5111.

Dated at Madison, Wisconsin,
Du the Commission
By the Commission:
Lynda L. Dorr
Secretary to the Commission
Societing to the Commission

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